

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:

Chapter 11

SIGNATURE APPAREL GROUP, LLC, et al.,

Case No. 09-15378 (JMP)

Debtor.

Jointly Administered

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**DECLARATION OF PAUL MCGUIRE IN SUPPORT OF
LIMITED OBJECTION OF IDS USA INC. TO EMERGENCY
MOTION MODIFYING THE AUTOMATIC STAY TO PERMIT
DEBTOR TO FACTOR ACCOUNTS RECEIVABLE AND
OBTAIN POST PETITION FINANCING FROM CIT
GROUP/COMMERCIAL SERVICES, INC. FOR PAYMENT OF
CRITICAL INVOLUNTARY GAP PERIOD EXPENSES**

Paul McGuire, pursuant to 28 U.S.C. § 1746, hereby declares under penalty of perjury:

1. I am Chief Customer Officer of IDS USA Inc. (“IDS”). I am fully familiar with the facts set forth herein.
2. IDS operates a warehouse at 40-50 Enterprise Avenue, Secaucus, New Jersey (the “Warehouse”). IDS provides the Debtor with storage and shipping services at its Warehouse.
3. IDS is currently storing certain of the Debtor’s inventory in the Warehouse.
4. As of September 30, 2009, the Debtor was indebted to in the amount of at least \$275,356.57 for such storage and shipping services. Attached as Exhibit A to this Declaration is a true and correct copy of a Statement of Account, dated September 15, 2009, from IDS to Signature Apparel Group. IDS possesses warehouse receipts for all of the goods in its possession.

Dated: September 30, 2009
New York, New York

/s/ Paul McGuire

Paul McGuire